

Statement by David Ibsen, Executive Director, UANI, March 12, 2012

Honorable Chair and Members of the Committee:

I am here today on behalf of United Against Nuclear Iran (UANI), a non-partisan advocacy group that seeks to prevent Iran from obtaining nuclear weapons, to express our strong support for this Iran Contracting Legislation. UANI was founded by Richard Holbrooke in 2008 and is led by an Advisory Board of outstanding national figures representing all sectors of the United States and Canada including Dennis Ross, Fouad Ajami, Fran Townsend, Graham Allison, Irwin Cotler, Jim Woolsey, Meir Dagan and many others.

The reason for our support is simple: Action must be taken to prevent a nuclear armed Iran. The international community has recognized that Iran is a dangerous and irresponsible state actor that presents a threat to international peace and stability. The regime is the world's leading state sponsor of terrorism, has allied itself with al-Qaeda, and is responsible for the deaths of American and NATO troops in Iraq and Afghanistan. The disclosure that Iran plotted to carry out acts of violence here on American soil by assassinating Saudi Arabia's U.S. Ambassador in Washington, D.C. possibly killing U.S. citizens in the process, only solidifies Iran's dubious distinction as the world's leading state-sponsor of terror. As described by Vice-President Biden: *"It is an outrageous act where the Iranians are going to have to be held accountable."*

In addition, Iran's human rights record is abhorrent. The Iranian regime tops every human rights organization's list of leading abusers, and currently is on an 'execution binge' that claimed more than 200 lives in 2011 alone. This fact was confirmed by both the UN's Special Rapporteur on Human Rights in Iran, who recently released a report stating that Iranian authorities conducted 446 secret executions in 2010 and 2011 as well as by Amnesty International, which published a report in February that describes in vivid detail how the Iranian regime has engaged in a ruthless campaign against the citizens of Iran in order to suppress peaceful opposition:

For those ending up in Iran's prisons and detention centres, torture and other ill-treatment remain routine and widespread. Former detainees ... recount being beaten, including on the soles of their feet, sometimes while suspended upside down... They have told of being raped - sometimes with implements - including by other prisoners, or threatened with rape. (*Amnesty International*, "We are Ordered to Crush You: Expanding Repression of Dissent in Iran," February 2012)

This reckless and provocative behavior fits squarely into an overall pattern of dangerous escalation by the regime. And of course, Iran continues to pursue nuclear weapons in defiance of international law. In its most recent report, the International Atomic Energy Agency (IAEA) outlined that, contrary to the findings of the U.S. National Intelligence Estimate of 2007, Iran has continued to conduct weapons-related research since 2003. Just last month, Iran confirmed that it

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was continuing to enrich uranium to 20% levels and install advanced centrifuges at Fordow – the clandestine facility buried deep underground in the mountains outside Qom.

In light of this threat we must all work to develop, and aggressively pursue, strategies to isolate Iran further in order to deter it from acquiring the nuclear weapons with which it threatens the world. It is important to emphasize that this tremendous threat cannot be confronted by lawmakers in Washington D.C., or diplomats at the United Nations alone. Local communities in Connecticut and elsewhere need to adopt strong measures to ensure that Iran feels consequences for its behavior. This legislation will accomplish this goal by presenting persons and entities with a clear choice: conduct business with Iran, or conduct business with the people of the Great State of Connecticut.

The specter of debarment is one of the most effective means of pressuring companies to cease their Iran business. Like the U.S. federal government, state governments collectively offer billions of dollars in contracts every year. No responsible and profit-minded company would jeopardize the millions of dollars in revenue from state contracts by doing business with Iran. In addition, this legislation also reflects the prevailing opinion among the American people that action must be taken at all levels of government to ensure that the Iranian threat is neutralized.

Other states, including California, Florida, Indiana and New York, have adopted comparable laws by unanimous vote. Comparable legislation has also been introduced in Maryland and Wisconsin. The impact of this legislation has already been profound. Several companies, including the Layher Group and ABB, announced that they would cease all business ties in Iran. The proven efficacy and popularity of this legislation speaks to the rationale of its adoption.

To the extent possible, we should also work to ensure that measures included in the legislation are sufficiently comprehensive to preclude all relevant investment and business activity with Iran. For example, new measures are currently being considered in other states such as California that will preclude insurance companies licensed by the State from holding stocks in or bonds of any foreign company actively engaged and invested in the Iranian energy sector, or any aspect of developing Iran's military or nuclear programs. After banks, insurance companies are the largest source of investment in the global economy, representing an overall investment of approximately five trillion US dollars. As the recognized global capital of the insurance industry, the State of Connecticut is in a unique position to join California in ensuring that licensed insurance companies are not supporting companies investing in Iran.

By forcing companies to choose between Iran and Connecticut taxpayers, this legislation demonstrates that communities around the country have a vital role to play in changing the Iranian regime's abhorrent behavior. The tide has begun to turn against Iran as evidenced by recent legislative action by the Federal Government and state legislatures, respectively, Europe's impending embargo of Iranian oil imports, the expulsion of Iran from the international financial system, and Chinese companies leaving Iran. Not so long ago these measures were being described as unlikely if not impossible, yet intense public pressure, Iranian intransigence, and committed lawmakers such as yourselves have made them a reality. We therefore urge the immediate adoption of this important legislation. Thank you.